

**BEFORE THE  
FEDERAL MARITIME COMMISSION**

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**DOCKET NO. 15-04**

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**CROCUS INVESTMENTS, LLC AND CROCUS, FZE**

**(Complainants)**

**v.**

**MARINE TRANSPORT LOGISTICS, INC. AND  
ALEKSANDR SOLOVYEV a/k/a ROYAL FINANCE GROUP INC.**

**(Respondents)**

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**ANSWER**

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Respondents Marine Transport Logistics, Inc. (hereinafter, "MTL") and Aleksandr Solovyev, the latter incorrectly alleged to be a/k/a Royal Finance Group, Inc., (hereinafter "Solovyev"), through its undersigned counsel hereby respectfully submits this Answer in response to the Complaint filed by complainants Crocus Investments, LLC and Crocus, FZE (hereinafter collectively, "Crocus"). The section headings contained herein mirror those in the Complaint and are included solely for purposes of clarity and organization, and Respondents do not admit, but rather hereby specifically deny, any factual or legal allegations in the headings used in the Complaint and in this Answer.

To the extent that the allegations contained in the preamble of the Complaint constitute factual allegations or legal conclusions, Respondents deny the allegations contained therein, although no response by Respondents is required.

### **THE COMPLAINANTS**

1. Respondents deny knowledge or information sufficient to form a belief as to the allegation(s) contained in ¶ 1 of the Complaint.
2. Respondents deny knowledge or information sufficient to form a belief as to the allegation(s) contained in ¶ 2 of the Complaint.
3. Respondents deny knowledge or information sufficient to form a belief as to the allegation(s) contained in ¶ 3 of the Complaint.

### **THE RESPONDENTS**

4. Respondents deny the allegation(s) contained in ¶ 4 of the Complaint.
5. Respondents admit the allegation(s) contained in ¶ 5 of the Complaint only to the specific extent that Respondent Solovyev, as the principal and sole owner of Car Express & Import, Inc. (hereinafter, "Car Express") and Royal Finance Group, Inc. (hereinafter, RFG"), is in the business of purchasing used vehicles, including boats, at auction on behalf of Car Express's customers, and when requested by Car Express's customers, Car Express will arrange the shipment of such vehicles on behalf of Car Express's customers with a NVOCC for ocean transport from U.S. ports to non-U.S. ports.

6. Respondents deny the allegations contained in ¶ 6(a) of the Complaint, because Respondent Solovyev is not a principal, owner, officer or employee of MTL nor does Respondent Solovyev “control” MTL.

Respondents admit the allegations contained in ¶ 6(b) and ¶ 6(c) of the Complaint only to the specific extent that Solovyev is the principal and sole owner of RFG and Car Express.

7. Respondents admit the allegation(s) contained in ¶ 7 of the Complaint.
8. Respondents admit the allegation(s) contained in ¶ 8 of the Complaint only to the specific extent that MTL is a Non-Vessel Operating Common Carrier with an OTI license issued by the Federal Maritime Commission, and in that regard, provides the types of services set out in 46 C.F.R. 515.2(l) and except as so specifically admitted, denies the allegation(s) contained in ¶ 8 of the Complaint.
9. Respondents admit the allegation(s) contained in ¶ 9 of the Complaint only to the specific extent that Car Express may, upon the request of a Car Express customer, purchase automobiles and/or boats from auctions and arrange on behalf of that customer, for the transportation of such automobiles and/or boats to a non-U.S. port and except as so specifically admitted, denies the allegation(s) contained in ¶ 9 of the Complaint.

10. Respondents deny the allegation(s) contained in ¶ 10 of the Complaint.

### **JURISDICTIONAL STATEMENT**

11. Respondents deny the allegation(s) contained in ¶ 11 of the Complaint.

### **FACTS**

12. Respondents deny the allegation(s) contained in ¶ 12 of the Complaint, and admit only that on or about April 16, 2013, Car Express, by use of its auction license, would act as the purchaser at auction on behalf of Complainant Crocus Investments, LLC and non-party Middle East Asia Alfa FZE (“Middle East Asia”), the latter two being partners in a joint venture for purchasing used boats in the United States for shipment to Jebel Ali, Dubai, UAE, where the boats would be refurbished by Middle East Asia for subsequent sale by Middle East Asia. Respondents further admit that Complainant Crocus Investments, LLC and non-party Middle East Asia participated in the auction with Car Express through Skype, an online teleconferencing service, for the purchase at auction of the 2008 CHAPPARAL and 2011 MONTEREY.

13. Respondents deny the allegation(s) contained in ¶ 13 of the Complaint for the reason that Respondent Solovyev is not a principal, owner, officer or employee of MTL and does not control or act “on behalf of MTL”, and admits that all instructions for the movement of the 2008 CHAPPARAL and 2011 MONTEREY were given by Middle East Asia to Car Express who, in turn,

would coordinate the booking with MTL for the ocean transportation to Jebel Ali.

14. Respondents admit that Crocus Dubai wired \$30,000 to Solovyev's company, RFG, to effect the purchase of the two boats through the Car Express auction license for inland delivery to the non-party World Express & Connection warehouse facility and except as so specifically admitted, denies the allegation(s) contained in ¶ 14 of the Complaint.

15. Respondents admit that in August 2013, Complainant and Middle East Asia instructed Car Express to purchase, using Car Express's auction license, a 2010 FORMULA and except as so specifically admitted, denies the allegation(s) contained in ¶ 15 of the Complaint.

16. Respondents admit that after the 2010 FORMULA was purchased by Car Express, using its auction license, on or about August 7, 2013, the 2010 FORMULA was transported by truck to the World Express & Connection storage facility, to await further instructions and payment from Middle East Asia, which were never received, for its ocean shipment from Port Newark to Jebel Ali or any other foreign destination, pursuant to a MTL NVOCC House Bill of Lading. The 2010 FORMULA remains, to date, at the World Express & Connection storage facility accruing storage charges, and except as so

specifically admitted, Respondents deny the allegation(s) contained in ¶ 16 of the Complaint..

17. Respondents admit the allegation(s) contained in ¶ 17 of the Complaint only to the specific extent that Complainants wire transferred \$59,780.00 to RFG, which reflected payment of \$56,280.00 for the purchase of the 2010 FORMULA and \$3,500 for inland delivery charges of the 2010 FORMULA to the World Express & Connection storage facility.

18. Respondents admit the allegation(s) contained in ¶ 18 of the Complaint only to the specific extent that Complainant wire transferred \$5,000.00 to RFG, which reflected payment of \$4,500 for a trailer upon which the boat would be secured and a \$500 shipping documentation charge.

19. Respondents admit the allegation(s) contained in ¶ 19 of the Complaint only to the specific extent that Complainant wire transferred \$4,950.00 to RFG, and except as so specifically admitted, denies the allegation(s) contained in ¶ 19 of the Complaint.

20. Respondents deny the allegation(s) contained in ¶ 20 of the Complaint.

21. Respondents deny the allegation(s) contained in ¶ 21 of the Complaint.

22. Respondents admits that RFG issued a \$5,500 invoice to Complainants for port fees, U.S. customs clearance, and inland delivery from Port Newark to the World Express & Connection storage facility with respect to the ocean transport of the 2011 MONTEREY or the 2008 CHAPPARAL from Jebel Ali to Port Newark aboard the APL VANCOUVER pursuant to APL B/L no. 020188407 issued May 30, 2014, and except as so specifically admitted, denies the allegation(s) contained in ¶ 22 of the Complaint.

23. Respondents deny the allegation(s) contained in ¶ 23 of the Complaint.

24. Respondents admit that the 2011 MONTEREY, 2008 CHAPPARAL, and 2010 FORMULA have been stored at the World Express & Connection warehouse facility for pickup by Complainants upon payment of the accrued storage charges, which remain outstanding to this date, and further admit that MTL does not own or operate a warehouse storage facility and that World Express & Connection is a separate and independent company which provides storage and loading services to MTL, and except as so specifically admitted, denies the allegation(s) contained in ¶ 24 of the Complaint.

### **DAMAGES**

25. Respondents deny the allegation(s) contained in ¶ 25 of the Complaint.

26. Respondents deny the allegation(s) contained in ¶ 26 of the Complaint.

27. Respondents deny the allegation(s) contained in ¶ 27 of the Complaint.

### **VIOLATIONS OF THE SHIPPING ACT**

28. Respondents MTL denies the allegation(s) contained in ¶ 28 of the Complaint.

29. Respondents Solovyev and RFG deny the allegation(s) contained in ¶ 29 of the Complaint.

### **REQUEST FOR HEARING**

30. No response by Respondents is necessary for ¶ 30 of the Complaint, but to the extent that a response is deemed necessary, Respondents do not object to the hearing request.

### **INFORMAL DISPUTE RESOLUTION**

31. Respondents deny the allegation(s) contained in ¶ 31 of the Complaint.

### **AS AND FOR JURISDICTIONAL DEFENSES**

32. The below jurisdictional defenses are made without waiving Respondents' right to serve discovery including, but not limited to, service of interrogatories, document demands, and notices of deposition upon Complainants and without waiving Respondents' right to file a Motion to Dismiss the Complaint and/or Motion for Summary Judgment.

### **1ST JURISDICTIONAL DEFENSE**

33. The Complaint fails to state a cause of action against Respondent MTL in that, to the extent that the claims are apparently directed toward warehouse storage charges accrued at a storage warehouse operated by World Express & Connection, which is not operated by or related to MTL, such charges are/were independent of MTL's NVOCC services, which, in the instant Complaint, were limited to the ocean transportation of the 2011 MONTEREY and 2008 CHAPPARAL from Port Newark to Jebel Ali, Dubai, UAE pursuant to its HB/L and the Maersk Master Bs/L, and, thus, there cannot be any alleged violation of the Shipping Act.

### **2ND JURISDICTIONAL DEFENSE**

34. The Federal Maritime Commission lacks personal and subject matter jurisdiction over Respondents Solovyev, RFG, Car Express & Import, Inc., and World Express & Connection's warehouse operations, all of which are separate and distinct from MTL's NVOCC operations.

### **3RD JURISDICTIONAL DEFENSE**

35. The Complaint is defective as a matter of law in that it lacks specificity because it fails to state facts sufficient to constitute a Shipping Act violation against Respondents.

**AS AND FOR ADDITIONAL DEFENSES:**

**1ST ADDITIONAL DEFENSE**

36. The relief sought by Complainants is barred by the doctrine of estoppel.

**2ND ADDITIONAL DEFENSE**

37. The relief sought by Complainants is barred, in whole or in part, because any damages resulted from Complainants own inaction, negligence or other fault, including but not limited to, Complainants failure to pay outstanding storage charges owed by Complainants.

WHEREFORE, Respondents pray that the Complaint in this proceeding be dismissed.

Dated: July 10, 2015  
New York, NY

Respectfully submitted,



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